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February 15, 2008

Diana Clark
Office Manager
Jessamine-South Elkhorn Water District
P. O. Box 731
Nicholasville, KY 40340-0731

CERTIFICATE OF SERVICE

RE: Case No. 2008-00027
Jessamine-South Elkhorn Water District

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on February 15, 2008.

Executive Director

BOD/tw
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF JESSAMINE SOUTH ELKHORN) CASE NO. 2008-00027
WATER DISTRICT)

ORDER

On January 18, 2008, Jessamine-South Elkhorn Water District ("Jessamine-South Elkhorn") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Jessamine-South Elkhorn purchases water from Kentucky-American Water Company ("Kentucky-American") and the city of Nicholasville ("Nicholasville").
2. Kentucky-American notified Jessamine-South Elkhorn that, effective with its March 5, 2008 billing, Kentucky-American's wholesale rate to Jessamine-South Elkhorn would increase from \$1.617 per 1,000 gallons to \$2.012 per 1,000 gallons.
3. Jessamine-South Elkhorn proposed a purchased water adjustment factor of \$0.41 per 1,000 gallons.
4. During the 12 months ended November 30, 2007, Jessamine-South Elkhorn purchased 283,604,250 gallons of water from Kentucky-American, and 26,420,450 from Nicholasville, and it sold 274,473,437 gallons. The increase in the cost

of purchased water is \$112,066.21, resulting in a purchased water adjustment factor of \$0.41 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.41 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Jessamine-South Elkhorn are approved.

2. The purchased water adjustment factor of \$0.41 per 1,000 gallons as calculated in Appendix A is approved.

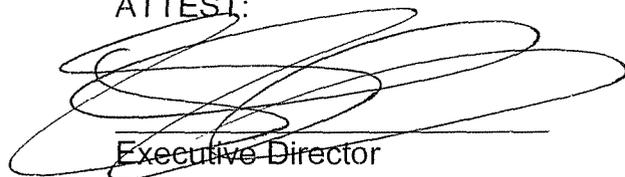
3. The rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services on or after March 5, 2008.

4. Within 20 days of the date of this Order, Jessamine-South Elkhorn shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 15th day of February, 2008.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2008-00027 DATED FEBRUARY 15, 2008

	New Rate	Base Rate
KY American		
Purchases in gallons	283,604,250	283,604,250
Volumetric rate	<u>\$ 2.01286/1,000</u>	<u>\$ 1.6177/1,000</u>
	\$570,855.65	\$458,786.59

Increased water cost \$112,066.21

City of Nicholasville		
Purchases in gallons	26,420,450	26,420,450
Volumetric rate	<u>\$ 1.81/1,000</u>	<u>\$ 1.81/1,000</u>
	\$ no change	\$ no change

Kentucky American \$ 564.78
Monthly Service Charge

Increased water cost	\$112,066.21
Divided by gallons sold	<u>274,473,437</u>
Purchased water adjustment factor	\$0.41 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00027 DATED FEBRUARY 15, 2008

The following rates and charges are prescribed for the customers in the area served by Jessamine-South Elkhorn Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8" x 3/4" Meter:

First	2,000 gallons	\$22.54	Minimum Bill
Next	2,000 gallons	5.62	per 1,000 gallons
Next	2,000 gallons	5.52	per 1,000 gallons
Next	10,000 gallons	5.42	per 1,000 gallons
Next	8,000 gallons	5.32	per 1,000 gallons
Over	24,000 gallons	5.22	per 1,000 gallons

1" Meter:

First	10,000 gallons	\$66.50	Minimum Bill
Next	6,000 gallons	5.42	per 1,000 gallons
Next	8,000 gallons	5.32	per 1,000 gallons
Over	24,000 gallons	5.22	per 1,000 gallons

2" Meter:

First	24,000 gallons	\$141.58	Minimum Bill
Over	24,000 gallons	5.22	per 1,000 gallons